GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4212
ANSWERED ON:15.12.2000
INCOME TAX ARREARS
SUDARSANA E.M. NATCHIAPPAN

Will the Minister of FINANCE be pleased to state:

(a) the total Amount of Income Tax arrears in Tamil Nadu, region-wise till date; and

(b) the measures taken to reduce these arrears?

Answer

MINISTRY OF STATE IN THE MINISTRY OF FINANCE (SH. GINGEE N. RAMACHANDRAN)

(a) The total amount of arrears in Tamil Nadu region in respect of Corporation Tax and Income Tax as on 31st Oct., 2000 is Rs. 681.22 crores;

(b) The Income Tax Act prescribes a statutory procedure for recovery of taxes. The recovery of the outstanding tax is a continuous process. The process starts after the demand falls due after 30 days of the service of the demand notice. Thereafter, action is taken by Assessing Officer in respect of unstayed demand by charging interest, levying penalty, attaching bank accounts etc. In difficult cases, matter is referred to Tax Recovery Officer who takes various coercive measures as per the Act. The recovery action taken by the Assessing Officer and TRO is closely monitored by the higher Income Tax Authorities.

Dossier cases having outstanding demand of Rs. 10 lakhs and above are monitored by high authorities on a regular periodic basis and necessary instructions are issued for taking various coercive measures for effecting the recovery of outstanding demands.